

The Extra Mile Region VI, Inc.

Pineville, Louisiana

June 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date NOV 02 2011

The Extra Mile Region VI, Inc.

June 30, 2011

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PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Independent Auditor's Report

To the Board of Directors
The Extra Mile Region VI, Inc.

We have audited the accompanying statement of financial position of The Extra Mile Region VI, Inc. (a nonprofit organization) as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Extra Mile Region VI, Inc. as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 6, 2011, on our consideration of The Extra Mile Region VI, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Handwritten signature of Payne, Moore & Herrington, LLP
Certified Public Accountants

October 6, 2011

MARVIN A. JUREAN, C.P.A.
ERNEST F. SASSER, C.P.A.
ROBERT W. BYRDAL, C.P.A.
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The Extra Mile Region VI, Inc.
Statement of Financial Position
June 30, 2011

Exhibit A

Assets	
Current Assets	
Cash and cash equivalents	\$ 164,591
Grants receivable	121,619
Other receivables	1,567
Prepaid expenses	4,183
Total Current Assets	<u>291,960</u>
Investments	251,192
Furniture and Equipment - Net of Depreciation	24,669
Other Assets	<u>19,200</u>
Total Assets	<u>\$ 587,021</u>
Liabilities and Net Assets	
Current Liabilities	
Accounts payable	\$ 4,037
Accrued liabilities	18,465
Deposits held on behalf of others	30,784
Total Current Liabilities	<u>53,286</u>
Net Assets	
Unrestricted	533,535
Temporarily restricted	200
Total Net Assets	<u>533,735</u>
Total Liabilities and Net Assets	<u>\$ 587,021</u>

The accompanying notes are an integral part of the financial statements.

The Extra Mile Region VI, Inc.
Statement of Activities
Year Ended June 30, 2011

Exhibit B

	Unrestricted	Temporarily Restricted	Total
Revenues, Gains/(Losses), and Other Support			
Government grants	\$	\$ 548,387	\$ 548,387
Fundraising	3,253		3,253
Noncash support	65,250		65,250
Administrative reimbursement	26,757		26,757
Donations		2,742	2,742
Interest and dividends	11,808		11,808
Miscellaneous	8,984		8,984
Unrealized gain on investments	34,710		34,710
Net assets released from restrictions	565,094	(565,094)	-
Total Revenues, Gains/(Losses), and Other Support	715,856	(13,965)	701,891
 Expenses			
Adult Flex Program	86,750		86,750
Child Flex Program	21,255		21,255
Drop-In Centers Program	107,381		107,381
EDS Program	12,674		12,674
The Extra Mile Program	51,420		51,420
Clothes Closet/Library Program	3,794		3,794
OCDD Disabilities Program	2,700		2,700
Consumer Employment Program	9,706		9,706
Maternal Child Health Program	69,814		69,814
Life Skill Training Program	10,504		10,504
OMH Consumer Liaison	14,060		14,060
SSBG Employment Development Program	58,854		58,854
Fundraising	1,701		1,701
OMH Spring Workshop	6,149		6,149
CLSH Indigent Patient Fund	225		225
CLSH Library Stipend	1,950		1,950
Other support services	185,265		185,265
Total Expenses	644,202	-	644,202
 Change in Net Assets	71,654	(13,965)	57,689
 Net Assets, Beginning of Year	461,881	14,165	476,046
 Net Assets, End of Year	\$ 533,535	\$ 200	\$ 533,735

The accompanying notes are an integral part of the financial statements.

The Extra Mile Region VI, Inc.
Statement of Functional Expenses
Year Ended June 30, 2011

Exhibit C
(Continued)

	Adult Flex Program	Child Flex Program	Drop-In Centers Program	EDS Program	The Extra Mile Program	Clothes Closet/ Library Program	OCDD Disabilities Program	Consumer Employment Program	Maternal Child Health Program
Personal services	\$ 20,228	\$ 2,678	\$ 58,599	\$ 9,292	\$ 43,718	\$ 3,300	\$	\$ 3,952	\$
Related benefits	2,635	385	7,657	1,268	6,402	494		540	
Travel									5,612
Operating services	61,387	18,092	27,173				2,700	5,214	6,705
Supplies			13,952	2,114					3,997
Professional	2,500	100			1,300				53,500
Depreciation									
Fundraising									
Totals	\$ 86,750	\$ 21,255	\$ 107,381	\$ 12,674	\$ 51,420	\$ 3,794	\$ 2,700	\$ 9,706	\$ 69,814

The accompanying notes are an integral part of the financial statements.

**The Extra Mile Region VI, Inc.
Statement of Functional Expenses
Year Ended June 30, 2011**

**Exhibit C
(Concluded)**

	Life Skills Program	OMH Consumer Liaison	SSBG Employment Development Program	OMH Spring Workshop	CLSH Indigent Patient Fund	CLSH Library Stipend	Other Support Services	Total
Personal services	\$ 8,091	\$ 7,020	\$ 43,555	\$	\$	\$	\$ 53,796	\$ 254,229
Related benefits	905	1,089	5,976				7,148	34,499
Travel	644	740	68					7,064
Operating services	163	3,463	2,518	6,149	225	1,950	106,297	242,036
Supplies	701	1,748	6,737				8,800	29,249
Professional								66,200
Depreciation							9,224	9,224
Fundraising				1,701				1,701
Totals	\$ 10,504	\$ 14,060	\$ 58,854	\$ 6,149	\$ 225	\$ 1,950	\$ 185,265	\$ 644,202

The accompanying notes are an integral part of the financial statements.

**The Extra Mile Region VI, Inc.
Statement of Cash Flows
Year Ended June 30, 2011**

Exhibit D

Cash Flows from Operating Activities	
Change in net assets	\$ 57,689
Adjustments to reconcile change in net assets to net cash used in operating activities:	
Depreciation	9,224
Unrealized gain on investments	(34,710)
Changes in operating assets and liabilities:	
Grants and other receivables	(62,114)
Prepaid expenses	(3,399)
Accounts payable	(694)
Accrued liabilities	597
Deposits held on behalf of others	8,120
Net Cash Used in Operating Activities	<u>(25,287)</u>
 Cash Flows from Investing Activities	
Reinvested earnings on investments	(11,803)
Purchase of furniture and equipment	(23,636)
Net Cash Used in Investing Activities	<u>(35,439)</u>
 Cash Flows from Financing Activities	<u>-</u>
 Net Decrease in Cash and Cash Equivalents	(60,726)
 Cash and Cash Equivalents, Beginning of Year	<u>225,317</u>
 Cash and Cash Equivalents, End of Year	<u>\$ 164,591</u>

Additional Required Disclosures:

1. Management considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.
2. No interest was paid during the year.
3. There were no income taxes paid during the year.
4. There were no material noncash investing or financing transactions during the year.

The accompanying notes are an integral part of the financial statements.

The Extra Mile Region VI, Inc.
June 30, 2011

Notes to Financial Statements

1. Nature of Activities and Significant Accounting Policies

Nature of Activities

The Extra Mile Region VI, Inc. is a nonprofit corporation formed to enhance and enrich the environment for clients served by the Louisiana Department of Health and Hospitals through public education, volunteer recruitment, program development, and fund raising.

The Extra Mile Region VI, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and comparable Louisiana law, and contributions to it are tax deductible within the limitations prescribed by the Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. In addition, the organization has been determined not to be a "private foundation" within the meaning of Section 509(a) of the Internal Revenue Code.

Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this method, revenues are recognized when earned and expenses are recorded at the time liabilities are incurred.

Basis of Presentation

The accompanying financial statements of The Extra Mile Region VI, Inc. have been prepared in accordance with accounting principles generally accepted in the United States of America. The Organization presents information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Furniture and Equipment

Furniture and equipment are stated at cost for assets purchased and at market value for assets acquired by gift. The Extra Mile Region VI, Inc. capitalizes long-lived assets with values of \$500 or more. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Furniture and equipment	5-7 years
Vehicles	5 years

The Extra Mile Region VI, Inc.
June 30, 2011

Notes to Financial Statements

Furniture and equipment reflected in the financial statements includes capital assets purchased for use in the various programs administered by The Extra Mile Region VI, Inc. from the respective program's funds as budgeted in the program agreements. In the event that a program terminates, title to those assets may revert to the funding source.

Revenue Recognition

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in temporarily or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributed Services

No amounts have been reflected in the financial statements for contributed services. The Extra Mile Region VI, Inc. pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and various fund raising activities.

Use of Facilities

Central Louisiana State Hospital provides office facilities and utilities to operate The Extra Mile Region VI, Inc. administrative offices, the Common Ground Drop-In Center, and the Clothes Closet/Food Pantry. In exchange, The Extra Mile Region VI, Inc. operates the Central Louisiana State Hospital patient library which is located in The Extra Mile Region VI, Inc.'s office building. The fair value of the use of provided facilities was \$65,250, and has been included in the statement of activities as noncash support.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through October 6, 2011, the date which the financial statements were available for issue. There were no subsequent events that require disclosure.

**The Extra Mile Region VI, Inc.
June 30, 2011**

Notes to Financial Statements

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt and equity securities are valued at their fair value in the statement of financial position. Unrealized gains and losses are included in the change in net assets.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. Cash and Cash Equivalents

Cash and cash equivalents consisted of the following at June 30, 2011:

Non-interest bearing checking accounts	\$	129,094
Interest bearing money market account		35,497
		\$ 164,591

Cash balances in demand deposit accounts with a local bank were fully insured by Federal Deposit Insurance Corporation (FDIC) coverage.

3. Grants Receivable

Grants receivable consisted of amounts due from the State of Louisiana, Department of Health and Hospitals.

4. Investments

Investments include funds held in a brokerage account. The fund names, costs, fair values, and carrying values are as follows:

Description	Cost	Fair Value Measurement at Reporting Date Using			
		Total 06/30/11	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Capital Income Builder Fund	\$ 126,638	\$ 125,802	\$ 125,802	\$ -	\$ -
Income Fund of America, Inc.	127,698	125,390	125,390	-	-
	\$ 254,336	\$ 251,192	\$ 251,192	\$ -	\$ -

The Extra Mile Region VI, Inc.
June 30, 2011

Notes to Financial Statements

5. Furniture and Equipment

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Equipment	\$ 28,771	\$ 23,390	\$ 5,381
Vehicles	23,994	4,799	19,195
Furniture and fixtures	3,752	3,659	93
	\$ 56,517	\$ 31,848	\$ 24,669

The depreciation provision for the year ended June 30, 2011, amounted to \$9,224.

6. Other Assets

Other assets consist of approximately 3.2 acres of land donated to The Extra Mile Region VI, Inc. in a prior year by a dissolving not-for-profit corporation. The land is located in Rapides Parish, Louisiana and is reported at \$19,200, its estimated fair value at the date of donation in accordance with accounting principles generally accepted in the United States of America. There were no restrictions imposed on the gift by the donor.

7. Leases

Facilities

The Organization provides part of its program services in leased facilities located in Alexandria and Jonesville, Louisiana. The facilities are leased from two unrelated third parties under month to month operating leases. The Extra Mile Region VI, Inc. made rental payments, consisting solely of minimum rentals, amounting to \$16,200 for the year ended June 30, 2011.

Vans

On November 5, 2007, The Extra Mile Region VI, Inc. entered into two operating leases for two Ford vans. The leases contain an option to purchase the vans at fair market value at the end of the lease period. The cost to lease the two vans is \$1,572 per month with the first payment due November 5, 2007 and the final payment due October 5, 2010. Total payments for the year under the leases totaled \$5,572.

Upon termination of the two leases on November 5, 2010, The Extra Mile Region VI, Inc. entered into a new operating lease for a Ford van. The lease contains an option to purchase the van at fair market value at the end of the lease period. The cost to lease the van is \$1,145 per month with the first payment due November 5, 2010 and the final payment due January 5, 2013. Total payments for the year under the lease totaled \$9,162.

Minimum lease payments under this lease as of June 30, 2011 are as follows:

<u>June 30,</u>	<u>Amount</u>
2012	\$ 13,740
2013	8,015

The Extra Mile Region VI, Inc.
June 30, 2011

Notes to Financial Statements

8. Concentrations of Revenues and Significant Funding Source

The Extra Mile Region VI, Inc. receives the majority of its revenues from funds provided through contracts administered by the Louisiana Department of Health and Hospitals. The amount of funds received is appropriated each year by the government. If significant budget cuts are made, the amount of the funds that The Extra Mile Region VI, Inc. receives could be reduced significantly, resulting in an adverse impact on its operations. Management is not aware of any actions that would adversely affect the amount of funds the Organization will receive in the next year.

9. Compensation to Board of Directors

The Board of Directors is a voluntary board, therefore, no compensation has been paid to any members.

10. Retirement Plan

The Extra Mile Region VI, Inc. has a defined contribution plan covering eligible employees. The plan, funded through a group annuity contract issued by Mutual of America Life Insurance Company, qualifies as a SIMPLE IRA plan under Section 408(p) of the Internal Revenue Code. Participating employee contributions are matched by the employer up to three (3) percent of the employee's annual salary. Retirement contribution expense for the year ended June 30, 2011 totaled \$4,082.

11. Designated Net Assets

There were no designated net assets at June 30, 2011.

12. Temporarily Restricted Net Assets

Temporarily restricted net assets at June 30, 2011 consisted of endowment funds totaling \$200.

13. Net Assets Released From Restrictions

Net assets were released from restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by the grants. There were no permanently restricted net assets at June 30, 2011.

**Other Reports Required by
*Government Auditing Standards***

**Report on Internal Control Over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***



PAYNE, MOORE & HERRINGTON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Established 1945

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors
The Extra Mile Region VI, Inc.

We have audited the financial statements of The Extra Mile Region VI, Inc. (a nonprofit organization) as of and for the year ended June 30, 2011, and have issued our report thereon dated October 6, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered The Extra Mile Region VI, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Extra Mile Region VI, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of The Extra Mile Region VI, Inc.'s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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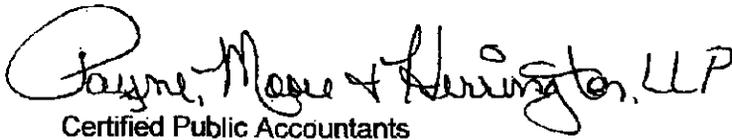
PAYNE, MOORE & HERRINGTON, LLP

To the Board of Directors
The Extra Mile Region VI, Inc.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Extra Mile Region VI, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors, management, state awarding agencies, and the Legislative Auditor's office of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is in fact a public document.


Certified Public Accountants

October 6, 2011

**The Extra Mile Region VI, Inc.
Schedule of Findings and Responses
Year Ended June 30, 2011**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	_____ Yes <u> x </u> No
Significant deficiency(ies) identified not considered to be material weaknesses?	_____ Yes <u> x </u> None reported
Noncompliance material to financial statements noted?	_____ Yes <u> x </u> No
<i>Management's Corrective Action Plan</i>	None
<i>Management's Summary Schedule of Prior Audit Findings</i>	None
<i>Memorandum of Other Comments And Recommendations</i>	None issued
<i>Federal Awards</i>	Not applicable

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Responses

Not applicable.